

## REMARKS

Claims 1-41 are pending.

The Examiner has rejected Claims 1-12, 18-20, and 22-41 under 35 U.S.C. §102(e) as being anticipated by Li et al (U.S. Pub. No. 2003/0004850). The rejections are respectfully traversed.

Li describes a system in which a “specified percentage of awards be awarded to locally based or domestic suppliers, to small suppliers, to environmentally aware suppliers, or to suppliers having some other characteristic.” (Li at [0132]). For example, under Li, 10% of awards must be granted to businesses located in California. Awarding a minimum amount of business to companies having certain demographics is not the same as determining, “**prior to conducting the auction round,**” an “allocation amount to be allocated” “dependent upon **the rank** of each of the plurality of highest ranked bidders **at the conclusion of the auction round**” and after the completion of the auction round, “allocating the award between two or more of the plurality of highest ranked bidders **in accordance with respective ranks** of the two or more bidders at conclusion of the auction round **and the allocation amounts determined prior to the conducting of the auction**” as recited in Claim 1. Claim 1 is therefore believed to be allowable.

The Examiner has rejected Claims 21 and 13-17 under 35 U.S.C. §103(a) as being unpatentable in view of one of ordinary skill in the art and Li in view of Lostis et al (U.S. Pub. No. 2002/0026429), respectively. Claims 2-31 depend directly or indirectly from Claim 1 and are believed to be allowable for the same reasons described above.

Like Claim 1, independent Claim 32 recites “allocating the award between at least the first and second bidders in accordance with respective ranks of the first and second bidders at conclusion of the auction and at least two allocation amounts determined prior to the conducting of the auction” and is believed to be allowable for the same reasons described above.

Claims 33-36 depend from Claim 32 and are believed to be allowable for the same reasons described above.

Like Claim 1, independent Claim 37 recites that “after the auction round has been conducted,” allocating “the award between two or more of the plurality of highest ranked bidders

in accordance with respective ranks of the two or more bidders at conclusion of the auction round and the allocation amounts determined prior to the conducting of the auction round” and is believed to be allowable for the same reasons described above.

Claims 38-39 depend from Claim 37 and are believed to be allowable for the same reasons described above.

Like Claim 1, independent Claim 40 recites that “after the auction round has been conducted,” allocating “the award between two or more of the plurality of highest ranked bidders in accordance with respective ranks of the two or more bidders at conclusion of the auction round and the allocation amounts determined prior to the conducting of the auction round” and is believed to be allowable for the same reasons described above.

Like Claim 1, independent Claim 41 recites that “after the auction round has been conducted,” allocating “the award between two or more of the plurality of highest ranked bidders in accordance with respective ranks of the two or more bidders at conclusion of the auction round and the allocation amounts determined prior to the conducting of the auction round” and is believed to be allowable for the same reasons described above.

Reconsideration of the application and allowance of all claims are respectfully requested based on the preceding remarks. If at any time the Examiner believes that an interview would be helpful, please contact the undersigned.

Respectfully submitted,



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